

**PROLIFE Across AMERICA  
Financial Statements  
November 30, 2021 and 2020**

**PROLIFE Across AMERICA  
Financial Statements  
November 30, 2021 and 2020**

**Table of Contents**

Independent Auditor’s Report .....	1-3
Statements of Financial Position .....	4
Statements of Activities and Changes in Net Assets.....	5
Statements of Cash Flows .....	6
Statement of Functional Expenses – November 30, 2021.....	7
Statement of Functional Expenses – November 30, 2020.....	8
Notes to Financial Statements .....	9-13

**PROLIFE Across AMERICA**  
**Statements of Financial Position**  
**As of November 30, 2021 and 2020**

<b><u>Assets</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
<b><u>Current Assets</u></b>		
Cash & Cash Equivalents	\$ 1,040,764	\$ 662,321
Total Current Assets	<u>1,040,764</u>	<u>662,321</u>
<b><u>Furniture &amp; Equipment</u></b>		
Furniture & Equipment	18,000	18,000
Less Accumulated Depreciation	7,200	3,600
Net Fixed Assets	<u>10,800</u>	<u>14,400</u>
<b><u>Other Assets</u></b>		
Security Deposit	<u>4,069</u>	<u>4,069</u>
<b>Total Assets</b>	<b><u><u>1,055,633</u></u></b>	<b><u><u>680,790</u></u></b>
<b><u>Liabilities and Net Assets</u></b>		
<b><u>Current Liabilities</u></b>		
Accounts Payable	20,089	140,838
Accrued Payroll Tax Liability	<u>7,807</u>	<u>4,581</u>
Total Current Liabilities	<u>27,896</u>	<u>145,419</u>
<b><u>Net Assets</u></b>		
Net Assets Without Donor Restrictions	1,027,737	535,371
<b>Total Liabilities and Net Assets</b>	<b><u><u>1,055,633</u></u></b>	<b><u><u>680,790</u></u></b>

SEE NOTES TO THE FINANCIAL STATEMENTS

**PROLIFE Across AMERICA**  
**Statements of Activities and Changes in Net Assets**  
**For the Years Ended November 30, 2021 and 2020**

<b><u>Support and Revenues</u></b>	<b><u>2021</u></b>	<b><u>2020</u></b>
Contributions	\$ 5,001,161	\$ 3,737,383
Gift-In-Kind Contribution	-	29,085
Interest Income	3,048	5,684
Total Support and Revenues	<u>5,004,209</u>	<u>3,772,152</u>
<b><u>Expenses</u></b>		
Program Services	4,151,420	3,707,557
Supporting Services	69,286	71,414
Fundraising	291,137	257,502
Total Expenses	<u>4,511,843</u>	<u>4,036,473</u>
Change in Net Assets	492,366	(264,321)
Beginning Net Assets	<u>535,371</u>	<u>799,692</u>
Ending Net Assets	<u>1,027,737</u>	<u>535,371</u>

SEE NOTES TO THE FINANCIAL STATEMENTS

**PROLIFE Across AMERICA**  
**Statements of Cash Flows**  
**For the Years Ended November 30, 2021 and 2020**

	<b>2021</b>	<b>2020</b>
<b><u>Cash Flows - Operations</u></b>		
Change in Net Assets	\$ 492,366	\$ (264,321)
Items that are not a Source or Use of Cash:		
Depreciation	3,600	3,600
Gift-In-Kind	-	(18,000)
Other Changes:		
Increase in Security Deposit Asset	-	(4,069)
Increase (Decrease) in Accounts Payable	(120,749)	129,332
Increase in Accrued Payroll Tax Liability	3,226	832
Cash Flow - Operations	378,443	(152,626)
<b><u>Cash Flows - Investing Activities</u></b>		
None	-	-
Cash Flows - Investing Activities	-	-
<b><u>Cash Flows - Financing Activities</u></b>		
None	-	-
Cash Flows - Financing Activities	-	-
Change in Cash & Cash Equivalents	378,443	(152,626)
Cash & Cash Equivalents - Beginning of the year	662,321	814,947
Cash & Cash Equivalents - End of the year	1,040,764	662,321

SEE NOTES TO THE FINANCIAL STATEMENTS

**PROLIFE Across AMERICA**  
**Statement of Functional Expenses**  
**For the Year Ended November 30, 2021**

<u>Expenses</u>	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fund- Raising</u>	<u>Total</u>
Educational Media Costs	\$ 3,931,327	\$ -	\$ 162,084	\$ 4,093,411
Salaries and Wages	131,206	39,268	54,414	224,888
Printing and Publications	33,481	-	8,542	42,023
Supplies	2,691	1,743	11,387	15,821
Postage and Shipping	7,183	3,591	25,142	35,916
Contract Services	2,484	6,211	3,727	12,422
Travel and Mileage	22,319	-	-	22,319
Occupancy Costs	15,769	15,769	15,769	47,307
Telephone	3,760	1,504	2,256	7,520
Depreciation	1,200	1,200	1,200	3,600
Miscellaneous	-	-	6,616	6,616
Total	<u>4,151,420</u>	<u>69,286</u>	<u>291,137</u>	<u>4,511,843</u>
% of Total 11-30-2021	92.0%	1.5%	6.5%	100.0%

SEE NOTES TO THE FINANCIAL STATEMENTS

**PROLIFE Across AMERICA**  
**Statement of Functional Expenses**  
**For the Year Ended November 30, 2020**

<u>Expenses</u>	<u>Program Services</u>	<u>Supporting Services</u>	<u>Fund- Raising</u>	<u>Total</u>
Educational Media Costs	\$ 3,529,500	\$ -	\$ 147,063	\$ 3,676,563
Salaries and Wages	99,354	47,607	60,027	206,988
Printing and Publications	23,583	-	9,467	33,050
Supplies	2,374	579	7,632	10,585
Postage and Shipping	9,779	2,445	12,224	24,448
Contract Services	6,290	6,000	1,384	13,674
Travel and Mileage	14,685	-	-	14,685
Occupancy Costs	10,700	10,700	10,700	32,100
Telephone	10,092	2,883	1,442	14,417
Depreciation	1,200	1,200	1,200	3,600
Miscellaneous	-	-	6,363	6,363
Total	<u>3,707,557</u>	<u>71,414</u>	<u>257,502</u>	<u>4,036,473</u>
% of Total 11-30-2020	91.8%	1.8%	6.4%	100.0%

SEE NOTES TO THE FINANCIAL STATEMENTS

**PROLIFE Across AMERICA**  
**Notes to Financial Statements**  
**November 30, 2021 and 2020**

**1. NATURE OF ORGANIZATION**

PROLIFE Across AMERICA, is a Minnesota nonprofit corporation which dates its origins to the year 1989. PROLIFE Across AMERICA's educational mission is to reach out through the media to people who may not be reached in any other way. Totally educational in its approach, the Organization is the only group bringing lifesaving, informational messages promoting the dignity and respect for all human life on a country-wide, continuing basis through billboards, radio, newspaper ads and internet ads.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

Financial Statement Presentation

The financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require the Organization to report information regarding its financial position and activities according to the following net asset classifications:

- Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of the Organization's management and the board of directors.
- Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported activities and changes in its net assets. Actual results could differ from those estimates.



**PROLIFE Across AMERICA**  
**Notes to Financial Statements**  
**November 30, 2021 and 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Cash and Cash Equivalents

The Organization considers all highly liquid instruments that are readily convertible to known amounts of cash and/or are within three months from maturity as cash equivalents.

Furniture & Equipment

The Organization's furniture and equipment are recorded at cost. The Organization capitalizes additions for expenditures greater than \$1,000. The Organization is depreciating the furniture and equipment over their five-year estimated useful lives on the straight-line method.

Revenue Recognition

Contributions received are recorded as either contribution revenue with or without donor restrictions depending on the existence and/or nature of any donor restrictions. All donor-restricted support is reported as an increase in Net Assets With Donor Restrictions. These restricted donations can be either temporary or permanent, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction end or purpose restriction is accomplished), Net Assets With Donor Restrictions are reclassified to Net Assets Without Donor Restrictions and reported in the statements of activities as net assets released from restriction. All contributions are considered available for unrestricted use, unless specifically restricted by donor or subject to other legal restrictions.

The Organization maintains the policy of classifying all donations with donor restrictions whose restrictions are met in the same period as increases in net assets without donor restrictions.

Contribution income is recorded when cash is received, when ownership of donated assets is transferred or when an unconditional promise to give is received. At November 30, 2021 and 2020, there were no outstanding unconditional promises to give that would require recognition of a pledge receivable.

Contributed Services

The Organization receives a substantial number of services donated by its members in carrying out its mission. No amounts have been reflected in the financial statements for those services because they do not meet the criteria for recognition under accounting guidance.

Concentrations

The Organization is primarily dependent upon contributions to meet expenses for operations. Although management of the Organization expects contributions to be adequate, there can be no assurance that such contributions will be sufficient to meet the expenses of the organization.

**PROLIFE Across AMERICA**  
**Notes to Financial Statements**  
**November 30, 2021 and 2020**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Concentrations – (Continued)

During the fiscal year ending November 30, 2021, the Organization received a total of \$1,550,000 or approximately 31% of its total contribution revenue from three donors.

During the fiscal year ending November 30, 2020, the Organization received a total of \$997,234 or approximately 27% of its total contribution revenue from three donors.

Tax Laws

The Organization is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). Any adverse change in tax laws, or any adverse change in the Organization's tax status as a tax-exempt organization, would affect contributors who are currently entitled to deduct their contributions to the Organization from gross income. Any such change, in turn, could adversely affect the level of contributions to the Organization and the ability of the Organization to meet its obligations.

Uncertain Tax Positions

The preparation of financial statements in conformity with accounting principles accepted in the United States of America requires the Organization to report information regarding its exposure to various tax positions taken by the Organization. The Organization has determined whether any tax positions have met the recognition threshold and have measured the Organization's exposure to those tax positions. Management believes that the Organization has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state tax authorities generally have the right to examine and audit the previous three years of tax return files. Any interest or penalties assessed to the Organization would be recorded in operating expenses. No interest or penalties from federal or state authorities were recorded in the accompanying financial statements.

**3. AVAILABILITY AND LIQUIDITY**

The Organization had liquid assets totaling \$1,040,764 on November 30, 2021 and \$662,321 on November 30, 2020.

The Organization regularly monitors cash needs required to meet its operations and other contractual commitments, while also striving to maximize the investment of its available funds. The Organization has operated with the goal to maintain a cash balance of at least \$200,000 to cover approximately 30 days of operating expenses. In addition to financial assets available to meet general expenditures over the next 12 months, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures

**PROLIFE Across AMERICA**  
**Notes to Financial Statements**  
**November 30, 2021 and 2020**

**4. CONCENTRATION OF CREDIT RISK**

Financial instruments which potentially subject the Organization to concentrations of credit risk consist of cash and cash equivalents. The Organization places its temporary cash with credit worthy, high-quality financial institutions. The amounts on deposit at financial institutions are only insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). From time to time, the balance on deposit may exceed the FDIC insurance limits.

**5. JOINT COSTS**

During the year ended November 30, 2021, the Organization incurred joint costs of \$3,888,740 for informational materials and media expense that included fundraising appeals. The Organization allocated \$204,671 to fundraising expense. During the year ended November 30, 2020, the Organization incurred joint costs of \$3,529,500 for informational materials and media expense that included fundraising appeals. The Organization allocated \$147,063 to fundraising costs.

**6. GIFT IN KIND**

During the year ended November 30, 2020, the Organization moved to its new office location. The previous tenants in the location that the Organization moved to left a majority of its office furnishings. The Organization estimated the value of these items to be \$18,000. The Organization recorded a gift-in-kind for this amount and will depreciate the items on a straight-line basis over an estimated life of ten years.

**7. RELATED PARTY**

The Treasurer of the Organization, John Kuharski is also the spouse of the President, Mary Ann Kuharski. Also, the bookkeeper at the Organization is a daughter-in-law of the Treasurer and President.

**8. OFFICE RENT**

The Organization had a lease agreement for rental of office space. The agreement began July 1, 2015 and ended June 30, 2019. The monthly rate was \$1,797 for the first twelve-month period, \$1,849 for the second twelve-month period, \$1,913 for the third twelve-month period and \$1,980 for the fourth twelve-month period.

**PROLIFE Across AMERICA**  
**Notes to Financial Statements**  
**November 30, 2021 and 2020**

**8. OFFICE RENT (CONTINUED)**

On January 21, 2020, the Organization entered into a lease of office space in a new location. The lease term began April 1, 2020 and ends May 31, 2025. The agreement requires minimum rental payments as follows:

Month 1-2	\$ -0-
Months 3-12	1,868
Months 13-24	1,919
Months 25-36	1,971
Months 37-48	2,023
Months 49-62	2,075

In addition, the lease requires the Organization to pay a pro-rata share of the operating expenses and real estate taxes. These amounts totaled \$2,276 per month for the year ended November 30, 2020.

Estimated rent payments over the next five years are as follows:

November 30, 2022	\$ 23,444
November 30, 2023	24,068
November 30, 2024	24,692
November 30, 2025	8,300

Total rent expense including the operating expenses and real estate taxes were \$47,307 and \$31,644 during the years ended November 30, 2021 and 2020, respectively.

**9. COVID UNCERTAINTY**

On March 11, 2020, the World Health Organization declared the outbreak of a coronavirus (COVID-19) as a pandemic. As a result of the COVID-19 coronavirus pandemic, economic uncertainties have arisen which could have a negative impact on the change in net assets. Other financial impact could occur though such potential impact is unknown at this time.

**10. SUBSEQUENT EVENTS**

Management has evaluated subsequent events through March 29, 2022, the date on which the financial statements were available to be issued.